

Ad Overexposure on Streaming Networks Shown to be a Detriment to Both Brands and Streaming Platforms

July 12, 2023

MAGNA Media Trials and Nexxen partnered to study the aftereffects of repetitive ads on viewers, brands and the streaming platforms that run them

NEW YORK, July 12, 2023 (GLOBE NEWSWIRE) -- Repeated ad exposures might not be a new phenomenon, but it doesn't make the experience any less annoying for viewers, 87% of whom agree that they see too many of the same ads, according to new research by MAGNA's Media Trials unit in partnership with Nexxen, a global, unified advertising technology platform with a specialization in video and Connected TV ("CTV").

The study, It's All in the Delivery: How Repeating Ads Affect CTV Viewers, Brands & Platforms, released today, leveraged controlled ad effectiveness testing with 1,246 streaming viewers to learn how they felt about repetitive advertising, which is an outlay of programmatic delivery systems and a focused pool of advertisers.

As part of the study, participants were exposed at varying frequencies – one, four or six exposures – to the same ad during a one-hour viewing session. Ads were provided by two participating brands, including athletic wear brand New Balance. The second participating brand is national restaurant chain Applebee's.

While participants who saw the same ad six times peaked in awareness at 92% recall, negative associations spiked, too. Viewers who saw the same ad six times said the ad was "annoying" by 48% over average, and "disruptive to their overall experience" by 33%. Overexposure also eroded purchase intent, with a 16% decline among those who viewed an ad six times.

Beyond facilitating a negative viewing experience, repeated ads also had poor implications for both brands and the streaming platform. Among viewers, 83% believed that repeating ads was done intentionally. Further, 68% of viewers believe that it was the brand's intention to repeat the ad. Streaming platforms are likewise implicated, with 44% of viewers believing that the platform intended to repeat the ad. True or not, these assumptions lend to broader implications, and potentially actions, led by viewers who are not satisfied with their viewing experience.

"Running a spot repeatedly during the same show might improve recall but at what cost? Study participants were clear on how frustrating it was to see the same ad again and again and this cast a shadow over the brand and the streaming network," said Kara Manatt, EVP, Intelligence Solutions, MAGNA, which is IPG Mediabrands' intelligence and investment unit. "Worst of all, advertisers are paying for these declines in purchase intent and simultaneously targeting consumers while turning them off to their brands."

Additional findings revealed by the study include:

- Positive brand perceptions were hampered by ad frequency, too. For example, brands saw a decline from 25% (1 ad exposure) to 17% (6 ad exposures) in viewers thinking that the brand knows how to connect with them. Additionally, viewers who saw the ad 6 times were less likely to be excited by the brand (16%) compared to those who only saw the ad once (21%).
- Viewers are willing to take action to avoid ad overkill in various ways, including checking to see if another streaming service offers the show or movie (43%) and going as far as to terminate the subscription (19%). Altogether, 51% said they will take action in response to repeating ads.
- Purchase intent takes a nosedive with higher frequencies of repeated ad exposures, with a 16% decline in intent to purchase for those who saw the same brand ad 6 times.

"Both advertisers and broadcasters need to get to a place where viewers don't notice a difference in the quality of the advertising experience on streaming compared to linear. Unfortunately, today, many ad servers are not equipped with the ability or are missing the adequate data to unify programmatic and direct demand while managing for frequency," said Karim Rayes, Chief Product Officer, Nexxen. "The solution lies with platforms that have been purpose-built for CTV, which offers publishers the flexibility to manage their ad breaks in a way that won't negatively impact the viewer's experience and saves advertisers from wasting their valuable media dollars."

To view the study, click here.

About MAGNA

MAGNA is the leading global media investment and intelligence company. Our trusted insights, proprietary trials offerings, industry-leading negotiation and unparalleled consultative solutions deliver an actionable marketplace advantage for our clients and subscribers.

We are a team of experts driven by results, integrity and inquisitiveness. We operate across five key competencies, supporting clients and cross-functional teams through partnership, education, accountability, connectivity and enablement. For more information, please visit our website: https://magnaglobal.com/ and follow us on LinkedIn.

About Nexxen

Nexxen empowers advertisers, agencies, publishers and broadcasters around the world to utilize video and Connected TV in the ways that are most meaningful to them. Comprised of a demand-side platform (DSP), supply-side platform (SSP), ad server and data management platform (DMP), Nexxen delivers a flexible and unified technology stack with advanced and exclusive data at its core. Our robust capabilities span discovery, planning, activation, measurement and optimization – available individually or in combination – all designed to enable our partners to reach their goals, no matter how far-reaching or hyper niche they may be. For more information, visit www.nexxen.com

Media Contact:

Caroline Smith
VP, Communications, Nexxen
csmith@nexxen.com

Forward Looking Statements

This press release contains forward-looking statements, including forward-looking statements within the meaning of Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities and Exchange Act of 1934, as amended. Forward-looking statements are identified by words such as "anticipates," "believes," "expects," "intends," "may," "can," "will," "estimates," and other similar expressions. However, these words are not the only way Nexxen identifies forward-looking statements. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including without limitation statements regarding the results in the study any benefits thereof, our tech stack, products any other offerings of Nexxen and any other subsidiaries affiliates. These statements are neither promises nor guarantees but involve known and unknown risks, uncertainties and other important factors that may cause the Nexxen group's actual results, performance or achievements to be materially different from its expectations expressed or implied by the forward-looking statements. Nexxen cautions you not to place undue reliance on these forward-looking statements. For a more detailed discussion of these factors, and other factors that could cause actual results to vary materially, interested parties should review the risk factors listed in Tremor International's most recent Annual Report on Form 20-F, which was filed with the U.S. Securities and Exchange Commission (www.sec.gov) on March 7, 2023. Any forward-looking statements made by us in this press release speak only as of the date of this press release, and we do not intend to update these forward-looking statements after the date of this press release, except as required by law.

